



Outpatient Services • Chronic Dialysis Clinics

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Medi-Cal Training Seminar

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2006 CPT-4/HCPSC Codes Reminder

Effective November 1, 2006, Medi-Cal will adopt the 2006 CPT-4 and HCPCS Level II codes. Claims billed for dates of service on or after November 1, 2006 must use the appropriate 2006 codes.

Codes to be added, modified or deleted were listed in the July 2006 *Medi-Cal Update*. Policy for new benefits was announced in the September 2006 *Medi-Cal Update*. Provider manual updates are included in this month's *Medi-Cal Update*.

National Drug Code (NDC) Roundtable Discussion

The California Department of Health Services (CDHS) is seeking provider input regarding the implementation of National Drug Codes (NDCs) as they pertain to non-retail pharmacy drugs.

Federal law (Title VI, Section 6002 of Public Law 109-171) currently requires state Medicaid programs to use NDCs or HCPCS Level II codes to report single-source, physician-administered drugs for the purpose of collecting and submitting utilization data. However, the federal Deficit Reduction Act of 2005 requires state Medicaid programs to also begin using NDCs to secure rebates for multiple-source and single-source, physician-administered drugs no later than January 1, 2007, unless the U.S. Department of Health and Human Services specifies that an alternative coding system be used.

CDHS recommends that, effective for dates of service on or after January 1, 2008, the use of Medi-Cal interim codes (X codes) for physician-administered drugs be discontinued. Providers would be required to submit both the most specific HCPCS code (either Level I or Level II) and the NDC for these physician-administered drugs, with reimbursement based on the NDC. CDHS also suggests that the NDC be supplied for claims with CPT-4 codes for vaccines, again with reimbursement based on the NDC.

The interim CPT-4 and HCPCS Level II code groups described above are reimbursable to medical professionals such as physicians and physician groups, outpatient providers such as clinics and various hospital outpatient settings, and home infusion providers. The code groups include, but are not limited to, the following categories:

- Blood factor
- Blood products
- Chemotherapy
- Injections
- Vaccines

CDHS invites all interested parties – including providers, software developers and vendors, clearinghouses, billing agents and electronic submitters – to a roundtable discussion about this topic. Issues to be discussed include understanding the requirements of the federal law, identifying barriers and/or risks involved, and considering solutions to mitigate those risks.

Please see NDC Roundtable Discussion, page 2

NDC Roundtable Discussion *(continued)*

In preparation for this discussion, providers or other attendees are encouraged to submit any questions, comments or feedback via the Medi-Cal Comment Forum, located on the Medi-Cal Web site (www.medi-cal.ca.gov). From the home page, providers or other attendees should click the “HIPAA” link in the left hand navigation bar, and then the “Medi-Cal Comment Forum” link.

The Comment Forum may also be used to convey any logistical needs providers or other attendees may require for the roundtable, such as teleconferencing capability (minimum notification 10 days in advance). If an interpreter for the hearing impaired or a listening device is required, please call EDS at 1-800-541-5555 at least 10 days in advance of the roundtable. A Telecommunications Device for the Deaf (TDD) is available for your convenience. A live TDD customer service agent is available Monday through Friday, from 8:00 a.m. to 5:00 p.m.

Medi-Cal values provider-community comments and feedback about the code conversion process. Such comments are very important and are considered very carefully. Please plan to attend the upcoming roundtable discussion below. Attendees are encouraged to arrive early and allow sufficient time for parking.

October 25, 2006

1:30 p.m. to 3 p.m.

California Department of Health Services
Auditorium
1500 Capitol Avenue
Sacramento, CA 95814

Reimbursement Clarification for Synagis

Reimbursement criteria have been updated for Synagis, CPT-4 code 90378 (Respiratory Syncytial Virus [RSV] Immune Globulin, intramuscular). In order for providers to be reimbursed properly, recipients must meet one of the following conditions:

- Infants born at less than 29 weeks of gestation and are younger than 12 months of age at the start of the RSV season
- Infants born between 29 and 32 weeks of gestation and are younger than 6 months of age at the start of the RSV season
- Children under 2 years of age with chronic lung disease of prematurity requiring medical treatment (for example, receiving supplemental oxygen, bronchodilators, diuretics or corticosteroids in the previous six months)
- Children with severe immune deficiency
- Infants younger than 2 years of age who have been diagnosed with hemodynamically significant congenital cyanotic or acyanotic heart disease
- Infants born between 32 and 35 weeks of gestation whose physicians document other factors making a child high risk (for example, young children in the home who attend daycare) and children with potential high-risk conditions (for example, an infant with a neuromuscular disorder and respiratory compromise, or child 2 years of age or older receiving immunosuppressive drugs post-transplant). Such situations will be reviewed on a case-by-case basis for authorization of treatment.

This information is reflected on manual replacement page inject 9 (Part 2).

California Children's Services (CCS) Updates

Drugs Requiring Separate Authorization

Injectable drug sermorelin acetate (HCPCS code Q0515) has been added to the table of Drugs Requiring Separate Authorization, effective for dates of service on or after November 1, 2006.

Service Code Groupings (SCGs)

Effective for dates of service on or after November 1, 2006, updates will be made to California Children's Services (CCS) Service Code Groupings (SCGs) 01, 02, 03, 04 and 05.

HCPCS code X7038 has been end-dated retroactively for dates of service on or after July 1, 2006.

In addition, CPT-4 codes 78990, 79900, 88182, 88367 – 88368, 91034 – 91035, 91037 – 91038 and 91040 have been added retroactively for dates of service on or after November 1, 2005.

Reminder: SCG 02 includes all the codes in SCG 01; SCG 03 includes all the codes in SCG 01 and SCG 02; and SCG 07 includes all the codes in SCG 01. These same “rules” apply to end-dated codes.

The updated information is reflected on manual replacement pages cal child sar 6 (Part 2) and cal child ser 1 thru 3, 5, 7 thru 17 and 22 (Part 2).

Updated Contact Information for Laboratory Field Services

The California Department of Health Services (CDHS) Laboratory Field Services contact information has been updated.

California Department of Health Services
Laboratory Field Services
850 Marina Bay Parkway
Bldg. P, 1st Floor
Richmond, CA 94804-6403
(510) 620-3800

The updated information is reflected on manual replacement page path an over 7 (Part 2). This information has also been updated on manual page prov guide 3 (Part 1).

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Remove and replace: blood 1/2 *, 7/8 *
blood ub 3 thru 6 *
cal child sar 5/6
cal child ser 1 thru 18, 21/22
cif co 1/2 *
dial chr 11/12 *

Remove: hcpcs ii 1/2
Insert: hcpcs ii 1 thru 5 *

Remove and replace: hcpcs iii 1/2 *
inject 1 thru 10, 13 thru 22, 29 thru 34, 39/40

Remove: inject 53 thru 57
Insert: inject 53 thru 58

Remove and replace
after the

Injections section: *Recombinant Human Erythropoietin (RhuEPO) Documentation Requirements form **

Remove and replace: inject bil ub 1 thru 4 *
inject list 1 thru 19 *
medi cr op ex 7/8 *
medi non cpt 1 *
medi non hcp 1/2 *
modif 1/2 *
modif app 5/6 *
modif used 3/4 *, 9/10 *
oth hlth cpt 1/2 *
path an over 3/4, 7
path bil 5 thru 9 *
supp drug 1/2 *
ub spec op 5/6 *

* Pages updated due to ongoing provider manual revisions.